



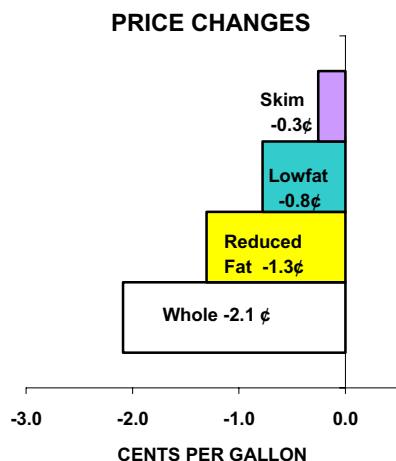
# Milk Pricing

## NEWSLETTER

Dairy Marketing Branch, CDFA

April 2002

### ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR MAY 2002



The commodity prices for butter and nonfat dry milk both decreased slightly during the month. These decreases in the commodity prices caused the gallon price for whole milk to decrease a little over two cents; reduced fat to decrease a little over one cent; and lowfat and skim to decrease a little less than one cent.

The uncertain economy continues to affect the production and sales of butter and cheese. Milk production is still up but the recovering economy has yet to produce much of an increase in demand for dairy products.

### Minimum Farm Prices for Various Fluid Milks by Container Size for May 2002

| <b>Northern California</b> | <b>Gallon</b> | <b>1/2 Gallon</b> | <b>Quart</b> | <b>Pint</b> | <b>1/3 Quart</b> | <b>1/2 Pint</b> |
|----------------------------|---------------|-------------------|--------------|-------------|------------------|-----------------|
| Whole Milk                 | \$1.120       | \$0.560           | \$0.280      | \$0.140     | \$0.093          | \$0.070         |
| Reduced Fat (2%)           | \$1.039       | \$0.520           | \$0.260      | \$0.130     | \$0.087          | \$0.065         |
| Lowfat (1%)                | \$0.994       | \$0.497           | \$0.249      | \$0.124     | \$0.083          | \$0.062         |
| Nonfat (Skim)              | \$0.759       | \$0.379           | \$0.190      | \$0.095     | \$0.063          | \$0.047         |

| <b>Southern California</b> | <b>Gallon</b> | <b>1/2 Gallon</b> | <b>Quart</b> | <b>Pint</b> | <b>1/3 Quart</b> | <b>1/2 Pint</b> |
|----------------------------|---------------|-------------------|--------------|-------------|------------------|-----------------|
| Whole Milk                 | \$1.143       | \$0.572           | \$0.286      | \$0.143     | \$0.095          | \$0.071         |
| Reduced Fat (2%)           | \$1.063       | \$0.531           | \$0.266      | \$0.133     | \$0.089          | \$0.066         |
| Lowfat (1%)                | \$1.018       | \$0.509           | \$0.254      | \$0.127     | \$0.085          | \$0.064         |
| Nonfat (Skim)              | \$0.783       | \$0.392           | \$0.196      | \$0.098     | \$0.065          | \$0.049         |

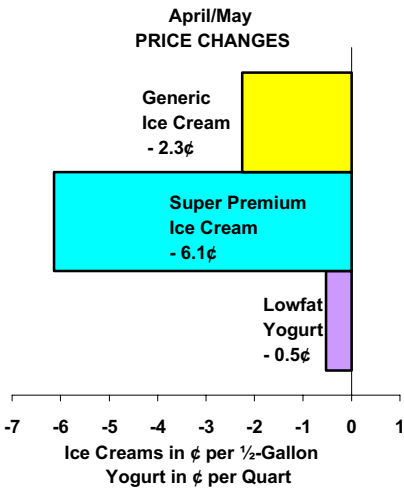
### Price Changes from the Previous Pricing Period

|                  | <b>Gallon</b> | <b>1/2 Gallon</b> | <b>Quart</b> | <b>Pint</b> | <b>1/3 Quart</b> | <b>1/2 Pint</b> |
|------------------|---------------|-------------------|--------------|-------------|------------------|-----------------|
| Whole Milk       | \$0.021-      | \$0.010-          | \$0.005-     | \$0.003-    | \$0.002-         | \$0.001-        |
| Reduced Fat (2%) | \$0.013-      | \$0.007-          | \$0.003-     | \$0.002-    | \$0.001-         | \$0.001-        |
| Lowfat (1%)      | \$0.008-      | \$0.004-          | \$0.002-     | \$0.001-    | \$0.001-         | \$0.000         |
| Nonfat (Skim)    | \$0.003-      | \$0.001-          | \$0.001-     | \$0.000     | \$0.000          | \$0.00 0        |

**California Department of Food and Agriculture**  
**William (Bill) Lyons Jr., Secretary**

Phone (916) 654-1456; Homepage Address: [www.cdfa.ca.gov/dairy](http://www.cdfa.ca.gov/dairy)

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products



- 1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.
- 2/ Yogurt and ice cream prices change every second month.

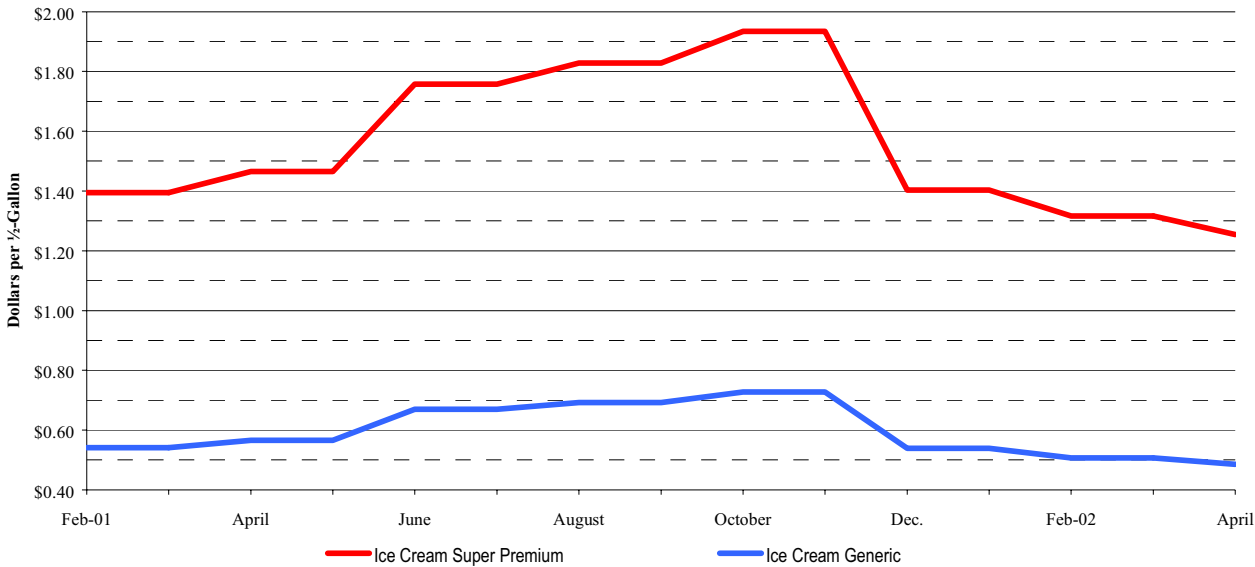
California Milk Component Farm Prices<sup>1/</sup>

|          | Lowfat yogurt<br>(\$/quart) | Super-premium ice cream<br>(\$/1/2 gal) | Generic ice cream<br>(\$/1/2 gal) | Butter grade AA<br>(\$/lb) | Cheese<br>(\$/lb) |
|----------|-----------------------------|---|-----------------------------------|----------------------------|-------------------|
| January  | \$0.22                      | \$1.40                                  | \$0.54                            | \$1.20                     | \$1.14            |
| February | \$0.21                      | \$1.32                                  | \$0.51                            | \$1.11                     | \$1.04            |
| March    | \$0.21                      | \$1.32                                  | \$0.51                            | \$1.10                     | \$1.02            |
| April    | \$0.20                      | \$1.25                                  | \$0.48                            | —                          | —                 |

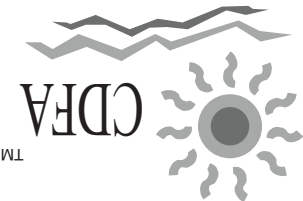
Price Change from the Prior Pricing Period<sup>2/</sup>

|          |         |         |         |         |         |
|----------|---------|---------|---------|---------|---------|
| January  | \$—     | \$—     | \$—     | \$0.05  | \$0.04  |
| February | \$0.01- | \$0.08- | \$0.03- | \$0.09- | \$0.10- |
| March    | \$—     | \$—     | \$—     | \$0.01- | \$0.02- |
| April    | \$0.01- | \$0.07- | \$0.03- | —       | —       |

Farm Component of Ice Cream Prices



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